

Idaho Grain Market Report, May 29 2020—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday May 28, 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	5.75		4.00			4.20
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.06				
Grace / Soda Springs	6.50			4.04	4.84	4.04
Burley / Rupert	5.75		4.13	4.16	4.79	4.16
Twin Falls / Buhl Jerome / Wendell	5.00-6.50		4.20-4.55	4.15	4.80	4.15
Nampa / Weiser			NA			
Nezperce / Craigmont	4.96		5.15	4.98	5.82	
Lewiston	5.48		5.41	5.24	6.08	
Moscow / Genesee	4.99-5.43		5.18-5.30	5.01-5.23	5.85-6.08	

Prices at Selected Terminal Markets, cash FOB
Wednesday May 28, 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			6.00-6.05	5.85-5.95	6.21-6.76	
Ogden	7.30		4.07	4.14	4.94	4.14
Great Falls	4.60-6.00			4.74-4.88	5.13-5.26	
Minneapolis					6.53	

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices were unchanged for the week ending May 27. Idaho cash malt barley prices were unchanged for the week. For the period May 15-21, USDA FAS reported net barley sales of 200 MT to Taiwan for 2019/2020. Exports of 300MT, down 54 percent from the prior week and down 31 percent from the previous 4 week average were reported for the week to Taiwan.

Barley and Beer Industry News—In Europe, closing pubs and restaurants and canceling sporting events and festivals like Germany's Oktoberfest has hurt demand for malt used to make beer and whisky. Brewers and malt producers have shuttered or scaled down plants, just as European barley stockpiles are set to hit a decade-high. Therefore, farms may have to offload crops more cheaply for animal feed. About one-sixth of the world's barley is used in malt, though the share is higher in regions with intensive beer and whiskey sectors. Stockpiles in the European Union, the largest grower, will jump 14 percent to 6.6 million tons next season, according to U.S. government data, and French malting barley prices recently hit the lowest since at least 2015. Malting barley needs to be stored in specific silos to maintain its quality, and with the next harvest starting soon, many growers won't have room to keep supplies at their farms until demand recovers. Belgium's Boortmalt, the world's top malt maker, expects to cut purchases from farmers, while Malteurop temporarily shuttered four North American plants. Malting barley's premium over the feed variety has narrowed on lower demand, and overall prices could drop further. The U.S. government expects next season's global barley inventories to swell almost 7 percent to a five-year high. In the U.S., small brewers have seen most of their market dry up, and draught beer stuck at breweries or delivered to retailers that soon shut to now be dumped, turned into hand sanitizer or composted, the Colorado-based Brewers Association said. In Europe, maltsters are trying to delay or cancel barley deliveries, German industry group Braugersten Gemeinschaft said.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending May 27. SWW prices ranged from down \$0.20 to down \$0.08 from the previous week; HRW prices were down \$0.64 to up \$0.05; DNS prices were down \$0.07 to up \$0.58; and HWW prices were down \$1.59 to up \$0.05. USDA FAS reported net export sales for 2019/2020 for the period May 15-21 at 209,800 MT, up 19 percent from the prior week and down 23 percent from the previous 4 week average percent. Increases were to Vietnam (60,000 MT), Venezuela (33,000 MT), Japan (31,400 MT), Brazil (30,000 MT), and Ecuador (22,800 MT). Exports of 561,200 MT were up 53 percent from the previous week and up 29 percent from the prior 4-week average.

Wheat News—The world is swimming in grain. despite scenes of panic buying at grocery stores and worries about key suppliers' restrictions on wheat exports in recent months, according to Bloomberg. Although major shippers from Russia to Romania are limiting exports to protect domestic supplies amid the health crisis, there hasn't been a major impact on trade and supplies could keep rising. With large harvests approaching in several countries, global wheat stockpiles are expected to hit a record this year and climb even higher in 2021. While there's a chance that any adverse weather could change that, immediate concerns about grain shortages because of lockdowns proved short-lived. Supply chains have remained intact, export curbs have been loose enough to keep sales flowing, and countries that imposed curbs realized their own supplies were ample. Also, the pandemic is pummeling global grain demand.

CORN—USDA FAS reported net export sales for 2019/2020 for period May 15-21 of 427,200 MT, increases were primarily to Japan (171,300 MT), Israel (87,700 MT), Mexico (80,400 MT), South Korea (63,700 MT), and Colombia (44,300 MT). Exports of 1,061,200 MT were to Mexico (321,200 MT), Japan (260,000 MT), Colombia (142,300 MT), Israel (110,700 MT), and Honduras (33,500).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending May 22 averaged 724 thousand bbls/day – up 9.20 percent from the previous week and down 31.50 percent from last year. Total ethanol production for the week was 5.068 million barrels. Ethanol stocks were 23.176 million bbls on May 22, down 1.90 percent from last week and up 2.44 percent from last year. An estimated 73.91 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 3.57 billion bu. Corn used needs to average 96.663 million bu per week to meet USDA estimate of 4.95 millions bu for the crop year.

Futures Market News and Trends—Week Ending May 28, 2020

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, May 28, 2020:

Commodity	July 2020	Week Change	July 2020	Week Change	September 2020	Week Change	December 2020	Week Change
CHI SRW	\$5.14½	\$0.05¾	\$5.17¾	\$0.05	\$5.26¼	\$0.04¾	\$5.34½	\$0.05¼
KC HRW	\$4.64	\$0.19½	\$4.70½	\$0.18¾	\$4.81¾	\$0.17½	\$4.92¼	\$0.16¾
MGE DNS	\$5.19¼	\$0.06¼	\$5.30¾	\$0.06½	\$5.44	\$0.06¼	\$5.56¾	\$0.06
CORN	\$3.27½	\$0.09½	\$3.31¾	\$0.09	\$3.40¼	\$0.07½	\$3.52	\$0.06¼

WHEAT FUTURES—Wheat futures prices were up as sales increased for the week. **Wheat futures prices ranged from up \$0.04¾ to up \$0.19½ (per bu) compared to the previous week.**

CORN FUTURES—Corn futures prices were mixed for the week with a decrease in exports. **Corn futures prices ranged from up \$0.06¼ to up \$0.09½ (per bu) under the previous week.**

CRUDE OIL FUTURES—It's more than a month since the oil markets sunk. Since then, oil prices have staged an impressive recovery. Early signs of growing demand for crude oil have prompted a market optimism that has led to increased WTI buying, setting the stage for the benchmark's best-ever monthly performance, Bloomberg reports--even though the contract's rally has been somewhat uneven. According to Bloomberg, West Texas Intermediate has increased by nearly 80 percent this month--the highest increase since 1983.

EIA reported U.S. crude oil refinery inputs averaged 13.0 million bbls/day during the week ending May 22, 2020 was 87 thousand bbls/day more than last week's average. Refineries operated at 71.3% of capacity last week. As of May 22, there was an increase in Crude Oil stocks of 7.928 million bbls from last week to 534.422 million bbls, over the 5-year average of 473.917 million bbls. Distillate stocks increased by 5.495 million bbls to a total of 1564.327 million bbls, over the 5-year average of 133.679 million bbls; while gasoline stocks decreased by 0.724 million bbls to 255.000 million bbls, over the 232.262 million bbl 5-year average. The national average retail regular gasoline price was \$1.960 per gallon on May 25, \$0.082 higher than last week's price and \$0.862 under a year ago. The national average retail diesel fuel price was \$2.39 per gallon, up \$0.004 per gallon from last week's level and down \$0.761 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, May 28, 2020 to close at \$33.71/bbl (July 2 contract), up \$0.46 for the week.

USDA Crop Progress/Condition Report—May 26, 2020

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Winter Wheat Headed	68%	56%	53%	68%	52%	53%	66%
ID Winter Wheat Headed	14%	11%	9%	14%	73%	71%	-
US Spring Wheat Emerged	51%	30%	41%	65%	-	-	-
ID Spring Wheat Emerged	86%	72%	64%	79%	-	-	-
US Barley Planted	86%	72%	84%	91%	-	-	-
ID Barley Planted	97%	95%	95%	95%	-	-	-
US Barley Emerged	62%	44%	50%	68%	67%	-	-
ID Barley Emerged	82%	63%	69%	82%	53%	-	-
US Corn Planted	88%	80%	55%	82%	70%	-	-
US Corn Emerged	54%	43%	28%	58%			

USDA U.S. Crop Weather Highlights—May 27, 2020

West—Dry, hot conditions will exceed 105 degrees in parts of California’s Central Valley and could reach 120 degrees in the Southwestern deserts. Drought concerns in parts of the Northwest, including Oregon, where 25% of the winter wheat was rated very poor to poor conditions on May 24.

Plains—Dry conditions favor fieldwork and crop development. Drought is stressing rangeland, pastures, winter wheat, and spring sown crops across areas of the central and southern High Plains. In Colorado, 39% of the winter wheat was rated very poor to poor conditions on May 24, topsoil was rated 61% very short to short.

Corn Belt—Rainfall and thunderstorms across the southern production areas, especially from Missouri to Ohio. Rainfall in the upper Great Lakes region. Fieldwork delays in portions of the eastern Corn Belt. Topsoil moisture rated surplus from 40-56% in Illinois, Indiana, Michigan, and Ohio on May 24.

South—Tropical Storm Bertha is bring heavy rainfall in the Carolinas. Rainfall in the mid-South is slowing fieldwork. Topsoil moisture was rated more than 40% surplus in Arkansas (48%)m South Carolina (46%), and Tennessee (41%) on May 24.

Outlook for U.S.— Tropical Storm Bertha is bringing rainfall that could total 2-4 inches across the Carolinas and southwestern Virginia possibly causing flash flooding. Dry conditions in the Mississippi Valley and the Ohio Valley. Hot, dry conditions in most of the West, except for showers in the Pacific Northwest. Cool conditions in most areas from the Plains eastward. The NWS 6-10 day weather outlook for June 1-5 calls for above normal temperatures throughout the nations mid-section. Cooler than normal conditions in the East and the Far West. Above normal precipitation in the West and southern Texas. Dry conditions for the central and southern Plains to the East Coast.

International Crop Weather Highlights—May 26, 2020

Europe— Rainfall in central France into Poland eased drought and boosted soil moisture for reproductive to filling winter wheat and rapeseed. Heavy rainfall boosted moisture for winter crops in the Balkans. Dry conditions in Hungary. Sunny conditions in Spain benefited filling wheat and barley. Dry conditions in England raise drought concerns for reproductive winter crops.

Middle East— Hot conditions from Turkey into Iran moved winter grains towards maturity in central and southern growing areas but farther north stressed reproductive wheat and barley. Favorable moisture in Turkey for emerging summer crops.

Asia— High winds and heavy rainfall in northeastern India. Rainfall favored corn and soybean establishment in north-eastern China. Dry conditions favored maturing rapeseed and filling wheat in the mid-east. Heavy rainfall in southern portions of the region. More rain needed in the northern section for rice sowing.

Australia— Rainfall in southern Queensland boosting topsoil moisture for winter wheat. Rainfall in the south and east favored recently sown wheat, barley, and canola. Dry conditions slowed winter grain and oilseed germination and emergence in western Australia.

South America— Rainfall boosted moisture for second crop rice and wheat in southern Brazil. Summer crop harvesting and winter wheat planting is underway in Argentina.

Mexico— Warm, dry conditions across the southern plateau corn belt.

Canada— Heavy rainfall in large sections of Alberta and Saskatchewan halted spring crop planting.

FSU— Rainfall in Moldova, Ukraine boosted moisture for vegetative to reproductive winter crops.